

# MISSOULA *Independent*

SENATE LOCAL GOVERNMENT  
EXHIBIT NO. 1  
DATE 2.4.09  
BILL NO. SB296

## SB 296

AN ACT REVISING THE PUBLICATION REQUIREMENTS FOR MUNICIPALITIES, RESORT COMMUNITIES AND THE STATE OF MONTANA SO THAT APPLICABLE NOTICES MAY BE PUBLISHED IN NEWSPAPERS OF GENERAL CIRCULATION AND AMENDING SECTIONS 7-1-4121, 7-6-1504, AND 18-7-201, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

### Purpose

SB 296 allows newspapers that distribute free copies to compete for municipal and state government legal notices. It will introduce more competition for government legal notices in several Montana cities, creating an opportunity for taxpayers to save money. At the same time, it improves the consistency of the public notice statutes. County governments can already place their public notices in free papers. Section 2 of the bill extends identical rules to resort tax proposals for the sake of consistency.

### History

SB 296 follows measures introduced during the last two legislative sessions to allow newspapers using a free distribution strategy to compete for county government legal notices. In 2004, the legislature changed the law for county legal notices, but a lobbyist for Lee Enterprises and the Montana Newspaper Association later complained that a corresponding statute governing county printing contracts also needed revision. The Montana Newspaper Association and the Montana Association of Counties collaborated to cure that defect during the 2006 session. This bill simply extends the same criteria established for county governments to the state government and municipalities.

### Justification

Substantial free newspapers currently exist in Billings, Kalispell, Butte, Helena, Sidney and Missoula. There may be others as well. By welcoming these publications to compete for the publication of legal notices, taxpayers stand to save some money. In addition, the current restrictions barring free newspapers from bidding to publish public notices seem fundamentally unfair and serve no genuine purpose. And eliminating the current inconsistencies among the various public notice statutes scattered throughout the Montana Code seems inherently worthwhile.

### Amendments

MACo objected to the SB 296 as it was originally drafted because it appears to make county governments responsible for processing sworn statements of circulation on behalf of the municipalities and the state. The proposed amendments to Sections 1 and Section 2 effectively work around that objection. In light of MACo's concerns and the short time frame available, an amendment to satisfy the filing requirement for the state Department of Administration has been elusive. Consequently, the most constructive course of action would be to strike Section 3 for the time being. If an agreeable solution emerges in the next week or two, the bill could potentially be amended again in the House and returned to the Senate in an improved form.